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CIA-backed force aided contras, sources say

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SAN JOSE, Costa Rica - The CIA hired mercenaries to aid rebels fighting to overthrow the Nicaraguan government in 1984 and 1985, circumventing a congressional ban on such covert aid, according to sources here and in the United States.

In the end, the operation - part of which was located in the neighboring country of Costa Rica - became such a political liability to the Costa Rican government that five of the mercenaries were arrested and jailed. Despite the close ties that the CIA and the US State Department maintained with the government of Costa Rica, no effort was made to free the agency's surrogate operatives.

From the beginning, the operation, in the words of one US intelligence figure, was a "fiasco" of mirrors within mirrors in which one group of mercenaries was hired under CIA contract to watch another group also under contract.

Over the course of almost 18 months, the CIA surrogates were kicked out of base camps of the rebels, known as contras, in Honduras and sent back to New Orleans. Some were then sent to Costa Rica, where they were arrested and still face trial. Honduras is the base for the northern operations by the contras against Nicaragua. Costa Rica is the base for the southern operations.

The main surrogate group consisted of approximately 20 mercenaries recruited by a private Alabama-based group called Civilian Military Assistance to provide men and nonmilitary supplies to contra operations in both Hondu-

ras and Costa Rica. While the group's leader, Thomas Posey, has denied that he was sponsored by the CIA, sources both in Costa Rica and the United States said the CIA oversaw the group's activities.

Ultimately, Posey's group was treated with distrust by US intelligence officers, who considered its members unreliable and dangerous to the success of the anti-Sandinista operation. In fact, the Globe has been told that US intelligence was so concerned about the group that the CIA contracted with a second, smaller group, to join the Posey group in order to spy on its operation.

Most of the activity by the mercenary groups came during a period - which continues - when the CIA was prohibited from providing military assistance to the contras. Congressional opposition focused on the agency's bungling in 1983 and 1984 of the mining of several harbors in Nicaragua, which Costa Rican leaders and a US intelligence source, inter-

viewed by the Globe, now believe was carried out by contra units with the technical assistance of an arms expert carrying a Belgian passport.

The CIA ban remains in effect at least until the Reagan White House determines who will administer \$100 million in US aid for the contras (including \$70 million for military supplies) that the US House approved last month and the Senate is expected to give final approval to this summer. Administration sources have said recently that most of the money would be administered by the CIA.

But within the period of the ban, numerous mercenaries recruited by Posey's Civilian Military Assistance group traveled to Honduras and Costa Rica to take part in training and, in a few instances, military missions with contra groups.

CIA has no comment on charges

A CIA spokesman had no comment on the allegations.

Several news organizations, including the Globe, have published

articles revealing some of the activities of the mercenaries, but there have been no authoritative sources quoted on whether the CIA was responsible for their presence in Central America.

However, last week, an official of the Costa Rican government told the Globe that he knew that the previous administration of Luis Alberto Monge had information that the group was overseen by the CIA. He said the present government of President Oscar Arias had learned since taking office in May that the CIA had been involved in supporting the mercenaries' activities in Costa Rica.

The official, who asked that he not be identified, said that among those responsible for overseeing the operation was Charles John Hull, an American citizen who owns a large farm in northern Costa Rica, near the Nicaraguan border.

A source familiar with the US intelligence community confirmed Hull's participation, saying that "he was getting well paid and did what he was told to do" by the agency as part of the mercenary operation. "Hull was a means to an end," the source said. "They used Hull as an individual to channel things in the right way (so that) it didn't get the US into hot water. . . . He was the linchpin between the operations and the policy."

Several of the mercenaries, who were arrested by Costa Rican authorities near Hull's farm in May 1985, have told reporters that Hull indicated that he was receiving \$10,000 a month from the US government to help supply the contras.

Hull denies the charges.

However, the Costa Rican official said the previous administration, while pledging strict neutrality in the Nicaraguan hostilities, had "looked the other way" and allowed Hull to use his farm as a sanctuary and supply depot for contra and mercenary operations.

Message 'has been made clear'

"We have let Mr. Hull know that we are keeping a close eye on him," the Costa Rican authority said. "The message has been made clear to him."

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Five mercenaries - two Englishmen, a Frenchman and two Americans, who had been recruited by Posey's CMA group - were arrested along with nine contras close to Hull's farm by Costa Rican police shortly after dawn on May 1, 1985.

In an interview with the *Globe* earlier this year, one of the five, Steven P. Carr, of Naples, Fla., said he believed that Hull had ordered their arrests because Carr had participated in a military raid on a Nicaraguan camp in which a number of Sandinistas were killed or wounded. Hull, he said, had warned the contras against engaging in any battles because Congress was then debating the contra aid package, and Hull did not want any negative publicity to damage the chances of passage.

A Costa Rican government leader, familiar with the operation, said the arrests had been made because the mercenaries' activity "was out of control, the entire operation, and we had to get them out of here." The five Western mercenaries spent more than a year in a Costa Rican jail before being released on bail this spring. Their trial on charges of possession of munitions is due to be held in Costa Rica later this summer.

The mercenaries were among about 20 men recruited by Posey's CMA organization to travel to Honduras and Costa Rica in 1984 and 1985 to aid the contras in their war against the Sandinistas. Although some congressmen have questioned whether the mercenaries may have violated US anti-neutrality laws by involvement in military engagements against a government with whom the United States was not at war, President Reagan originally praised their efforts, calling them volunteers for the contra "freedom fighters."

In interviews with a number of news organizations, members of the mercenaries said their activities in Central America consisted mainly of taking medical and humanitarian supplies to the contras, assisting in establishing contra camps and repairing automotive and military equipment.

Military role acknowledged

However, several said that they did take part in military forays

with the contras and did participate in the planning of other raids.

Soon after his arrest in Costa Rica, another of the mercenaries told reporters that shortly before arriving in the country he was, given the name of a man to contact if he ran into any trouble. The man was subsequently identified as the director of the CIA's Latin America division.

The primary purpose for the presence of several of the mercenaries, however, was not to lend support to the contras, the *Globe* was told. Instead, their goal was to provide information on CMA's activities to a CIA contract agent.

The agent, who agreed to be interviewed by the *Globe* on the basis that his identity would not be revealed, said that he had contracted with one agency official to pay to send several mercenaries to Central America through CMA.

The contract agent, who agreed to the interview because he was angry at the Reagan administration for its failure to secure the mercenaries' release from jail, said he was told by a CIA official to "bird-dog" the Posey operation to determine if they were "super patriots or just nuts."

"Let us know if they embarrass us," the agent quoted his CIA contact as telling him. He was told to keep the agency informed of his findings, which he said he did, and that his expenses would be paid. He said he has yet to submit a bill for his expenses, which he estimated at less than \$10,000.